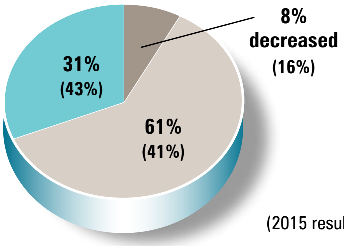
Another mixed year

As is often the case, the fate of the three markets we cover is varied. This year the crane companies have done considerably better than the access rental sector which has amazingly seen further declines in rates while remaining relatively busy. This is the second year where overall the results of our survey are not quite as good as the year before. However, we have had an excellent response to the survey this year and a higher participation brings its own changes. This is 16th year of the survey with all results still available on line at www.vertikal.net.

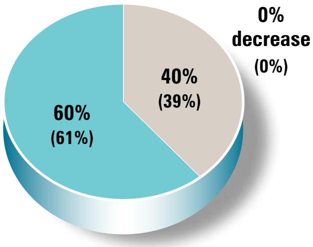
Crane rates

Crane hire rate trends - all types

Crane hire rates over the past 12 months have:



Crane hire rates during the next 12 months will:

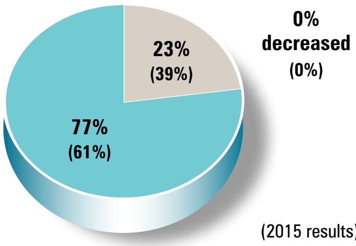


(2015 results)

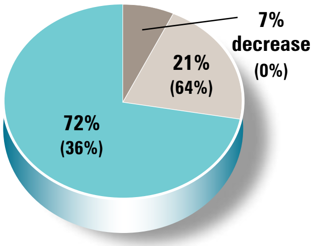
This time last year none of our respondents expected rates to fall and yet eight percent have reported a downturn. This figure is only half the percentage reported last year and 92 percent of crane companies saw rates stay flat or increase. Once again no one believes rates will fall in 2017, the majority expect a flat year while a large number expect rates to improve. The failure of Hewden in the UK could make a significant difference of course.

Crane fleet size

Crane fleet size over the past 12 months have:



Crane fleet size over the next 12 months will:



(2015 results)

Our respondents last year forecast this fairly accurately although a slightly larger number of companies increased their fleets than expected. As to expectation for 2017 opinions vary widely with a few companies expecting to reduce their fleets, while the majority plan to increase them, radically different from this time last year. Brexit and the exchange rate might play a role in this - given that the value of both used and new cranes will be higher.

Decreased | Stayed the same | Increased

Crane rental rates

Daily rates for mobile cranes

From last year rates have gone: ▲ up, ▼ down, — same, ■ new category

Crane size	Average	Lowest	Highest	Ideal
Under 30 tonnes	£420 ▼	£380 ▼	£500 ▼	£430 ▼
30 to 45 tonnes	£457 ▼	£420 ▼	£550 ▼	£465 ▼
50 to 65 tonnes	£583 ▼	£550 ▼	£700 ▲	£630 ▼
70 to 85 tonnes	£730 ▼	£650 ▼	£800 ▼	£820 ▼
95 to 125 tonnes	£1,075 ▼	£900 ▼	£1,500 —	£1,200 ▼
135 to 200 tonnes	£2,103 ▼	£1,800 —	£2,500 ▼	£2,400 ▼
210 to 350 tonnes	£3,410 ▼	£2,500 —	£4,450 ▼	£3,000 ▼
350 to 600 tonnes	£7,922 ▲	£7,500 ▲	£8,900 ▲	£9,000 ▲
Over 600 tonnes	£17,390 ▲	£14,920 ▲	£19,300 ▲	£20,000 ▲
Self-Erecting Tower (4 to 5 axles)	£1,370 ▲	£1,300 ▲	£1,460 ▼	£1,650 ▲
Self-Erecting Tower (6 to 7 axles)	£2,150 ▲	£1,800 ▼	£2,500 ▲	£2,475 ▼

Weekly rates for crawler cranes

Crane size - Operated	Average	Lowest	Highest	Ideal
Up to 50 tonnes	£1,523 ▼	£750 ▼	£2,500 ▼	£2,650 ▼
50 to 60 tonnes	£1,275 ▼	£950 ▼	£1,550 ▼	£1,050 ▼
70 to 80 tonnes	£2,407 ▼	£1,600 ▼	£3,000 ▲	£3,875 ▲
90 to 100 tonnes	£2,382 ▼	£1,800 ▼	£3,100 ▼	£4,500 —
120 to 150 tonnes	£2,678 ▼	£2,000 ▼	£3,500 ▼	£5,100 ▼
180 to 250 tonnes	£4,594 ▼	£4,200 ▼	£5,500 —	£5,700 ▼

2016 rental rate survey c&a

Crane rental rates

From last year rates have gone ▲ up ▼ down — same ■ new category

Weekly rates for tower cranes

Flat tops and saddle jibs	Average	Lowest	Highest	Ideal
Less than 70t/m	£660 ▲	£420 ▼	£900 ▲	£744 ▼
120t/m	£1,004 ▼	£613 ▼	£1,200 —	£1,199 ▼
200t/m	£1,466 ▼	£797 ▼	£1,800 ▲	£1,686 ▲
300t/m	£1,870 ▼	£1,511 ▲	£2,100 ▼	£2,161 ▼
Luffers	**Average**	**Lowest**	**Highest**	**Ideal**
Less than 70t/m	£1,525 ▲	£1,400 ▲	£1,600 —	£1,600 ▲
100t/m	£1,870 ▲	£1,600 ▲	£2,000 ▼	£1,900 ▼
180t/m	£2,550 ▲	£2,300 ▲	£2,800 ▲	£2,800 ▲
300t/m	£3,125 ▲	£2,750 ▲	£3,500 ▼	£3,500 ▼
Self Erectors	**Average**	**Lowest**	**Highest**	**Ideal**
Self Erectors	£648 ▼	£620 ▲	£675 ▼	£700 ▼

Weekly rates of other cranes

Crane size	Average	Lowest	Highest	Ideal
Pick & Carry	£1,675 ▲	£1,100 ▲	£2,500 ▲	£1,800 ▲
Mini crawlers - up to 12t	£1,350 ■	£750 ■	£2,500 ■	£900 ■
Spider cranes (<5 tonnes)	£1,213 ▼	£700 ▼	£2,500 ▲	£1,750 ▼
Spider cranes (>5 tonnes)	£1,600 ▼	£1,100 ▲	£2,500 ▼	£1,900 ▼

Utilisation and percentage of initial cost

Mobile cranes

	Utilisation			Average rate as
Crane size	Average	Lowest	Highest	% of initial cost
Under 30 tonnes	83%	70%	90%	1.3%
30 to 45 tonnes	89%	80%	100%	0.9%
50 to 65 tonnes	81%	75%	90%	0.8%
70 to 85 tonnes	83%	75%	95%	0.8%
95 to 125 tonnes	82%	70%	95%	0.9%
135 to 200 tonnes	73%	69%	85%	0.9%
210 to 350 tonnes	73%	60%	85%	1.0%
350 to 600 tonnes	85%	85%	85%	•
Over 600 tonnes	•	•	•	•
Mobile Tower (4 to 5 axles)	79%	70%	80%	•
Mobile Tower (6 to 7 axles)	81%	70%	90%	•

• = *Insufficient Data*

Crawler cranes

	Utilisation			Average rate as
Crane size	Average	Lowest	Highest	% of initial cost
Up to 50 tonnes	65%	55%	70%	0.5%
50 to 60 tonnes	68%	60%	70%	•
70 to 80 tonnes	76%	60%	100%	0.4%
90 to 100 tonnes	65%	40%	100%	0.3%
120 to 150 tonnes	75%	50%	100%	0.2%
180 to 250 tonnes	65%	60%	70%	0.3%

Tower cranes

	Utilisation			Average rate as
Flat tops and saddle jibs	Average	Lowest	Highest	% of initial cost
Less than 70t/m	64%	60%	70%	1.0%
120t/m	88%	85%	90%	0.7%
200t/m	94%	90%	100%	0.7%
300t/m	95%	90%	100%	0.7%

	Utilisation			Average rate as
Luffers	Average	Lowest	Highest	% of initial cost
Less than 70t/m	96%	90%	100%	1.0%
100t/m	92%	90%	95%	0.8%
180t/m	90%	90%	90%	1.1%
300t/m	95%	90%	100%	1.2%

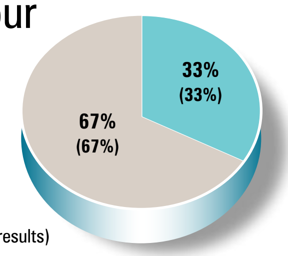
	Utilisation			Average rate as
Self erectors	Average	Lowest	Highest	% of initial cost
Self Erectors	71%	65%	76%	0.7%

Other cranes

	Utilisation			Average rate as
Crane type	Average	Lowest	Highest	% of initial cost
Pick & Carry	63%	50%	75%	0.8%
Mini crawlers - up to 12t	69%	60%	78%	0.8%
Spider cranes (<5 tonnes)	51%	20%	68%	1.5%
Spider cranes (> 5 tonnes)	74%	72%	78%	1.2%

What percentage of your jobs are contract lifts?

Contract lifts Pure crane hire

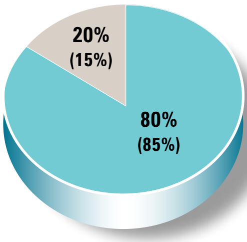


No change, surprisingly consistent.

(2015 results)




What percentage of your operators are?

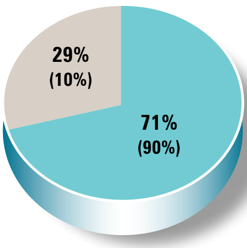


(2015 results)

Employed Freelance

A five percent shift towards freelance operators is no surprise and reflects what we see in the market. It may also be influenced by a higher participation from tower and crawler crane companies?

Who does your Thorough Examinations?

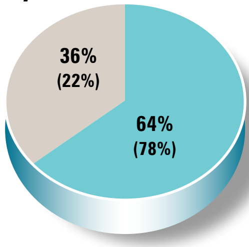


Third party In house

(2015 results)

Very surprisingly there has been a reversal in the number of companies saying that they use third parties. This may well be down to a larger number of respondents than an overall trend.

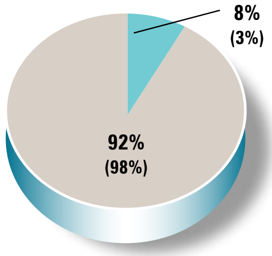
Would you recommend the crane hire industry to your children?



Yes No (2015 results)

While the majority said "Yes" it is surprising - given the apparent buoyant market - that the number of respondents saying "No" has increased. Once again this might be down to a higher sample?

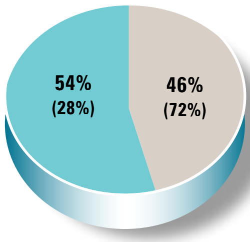
Do you employ any female crane operators?



Yes No (2015 results)

While still embarrassingly low, it is encouraging to see a substantial increase in this number, which reflects the anecdotal feedback we see.

Should cranes be subject to MOT's?



Yes No (2015 results)

This reversal is astonishing and comes on the heels of the CPA initiative to introduce a voluntary scheme. Perhaps in the light of this move many companies may well feel that this scheme will do the job.

Average fleet age in years

Average	Lowest	Highest
7.4 (6.7)	4 (3)	15 (12)

This is a substantial shift from last year after an increase last year. The biggest change is in the very old fleets.

Respondent's comments

"With the inevitable introduction of MOTs or a similar test and the pure cost of running modern cranes, the hire rates simply have to increase. Ideally each crane capacity should be priced at least at the one above e.g. 40 tonne cranes should be commanding 50 tonne rates, 60 tonne should be at 70-80 tonne rates, 80 tonne at 100 tonne rates and so on. Standing firm on rates is not that difficult if one backs them up with a good service and customer relationship. It's all too easy to undercut prices to win work then stumble when you're busy, unable to supply directly and none of your usual cross hire companies is prepared to cover the work at poor rates, (who can blame them) ultimately leading to you letting your customer down. Would your customer prefer his work to be carried out at the rates you've agreed or is he perfectly happy to alter all his plans for the day when you don't turn up because although you've offered the lowest rates you now can't supply the service? I don't need to guess, it's the former."

"We no doubt all have a certain amount to 'play with' and have varying rates for long-term customers etc… but there must be a viable bottom line. A few years ago a major national crane hire company sent a letter to all the crane hire companies they dealt with setting out cross hire rates that they were prepared to pay, and they were good, a set rate for a certain capacity crane. At last we know we have a level playing field when dealing with them. Within a few days a came a call from their local branch, could we provide a crane for them. "Yes and as we have the cross hire rates to hand this is the price. "Ah no we only have this rate in for the job" came the reply. Well we have a letter from your chairman setting out cross hire rates, so to reciprocate we will cover the job at the same rate, "uh sorry no we can't do that". The rate offered wasn't "within a few quid" it was massively lower than the set rate indicted in the letter. If the industry leaders are prepared to go forward one and back two what chance is there ever going to be for change?"

"All rates are negotiable and with clients depending on duration, availability etc… we would like to increase all rates if possible, but need to win the work - each is the old 'fine line' then you supply new cranes and the client thinks we are making gold bars with massive profits. Most clients don't realise the true operating costs involved which need to cover every aspect for hiring crawler cranes from purchase to training and from insurance to office staff etc."

When last challenged by a regular customer over the cost of a 40 tonne hire I (somewhat tongue in cheek) offered him the opportunity to instead of paying for the crane hire, to pay for the two tyres I had just purchased. He pondered for a moment and wisely chose the hire, because of course "the tyres must surely be what £300 each"? When I told him he was missing a zero for the price of the two he, rather ashen faced, said "Christ how do you make it pay?" (you couldn't make it up)!"

"Slowly the larger spider cranes are becoming more popular as health and safety require a larger factor of safety, and the cost is being overruled by the need for versatility and safety."

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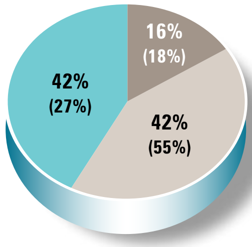
Powered Access rates

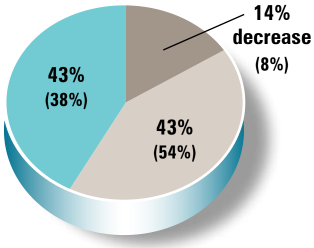
Decreased | Stayed the same | Increased

Rate trends

Access rates over the past 12 months have:



Access rates during the next 12 months will:

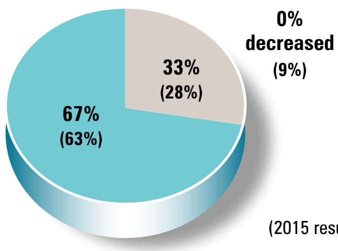


(2015 results)

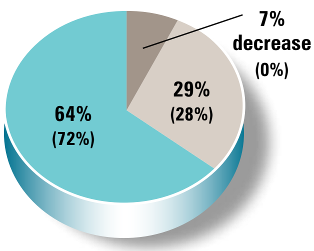
Rental rates have definitely slipped further since this time last year, however it is odd that when asked, only a handful of companies admitted that rates had fallen, and yet the results they have provided clearly indicate that they have. The results received are also far more consistent compared to previous years. Looking forward, an equal number of respondents believe that rates will rise in 2017, as those who expect them to stay the same. Just 14 percent are pessimistic, but this is higher than last year.

Fleet trends

Fleet size over the past 12 months have:



Fleet size over the next 12 months will:



(2015 results)

In the past year fleet numbers have either increase or stayed the same - no one reported any 'de-fleeting'. However, a few respondents expect to shrink their fleets in 2017, although the vast majority expect to expand.

Weekly rental rates by general category

From last year rates have gone: ▲ up, ▼ down, – same, ■ new category

Electric self-propelled scissor lifts

Platform Height	Average	Lowest	Highest	Ideal
Under 5 metres	£71 ▼	£37 ▼	£90 ▼	£88 ▼
6 metres (19/20ft)	£94 ▼	£38 ▼	£120 ▼	£121 ▼
8 metres (26ft)	£112 ▼	£42 ▼	£140 ▼	£135 ▼
9-10 metres (30-33ft)	£123 ▼	£50 ▼	£150 ▼	£149 ▼
11-12 metres (36-39ft)	£152 ▼	£101 ▼	£225 ▼	£183 ▼
13-17 metres (42-55ft)	£200 ▼	£101 ▼	£550 ▲	£344 ▲
17-22 metres	£579 ▲	£411 ▼	£650 ▲	£625 ▲
Over 22 metres	£688 ▼	£688 ▲	£750 ▼	£802 ▼

Push around scissor lifts

Platform Height	Average	Lowest	Highest	Ideal
Push Arounds	£49 ▲	£40 ▲	£75 ▲	£71 ▼
Portable	£85 ▼	£60 ▼	£100 ▼	£127 ▼

Diesel/bi-energy scissor lifts

Platform Height	Average	Lowest	Highest	Ideal
8 metres (26ft)	£151 ▼	£140 ▼	£170 ▼	£187 ▼
9-10 metres (30-33ft)	£163 ▼	£150 ▼	£190 ▼	£206 ▼
11-12 metres (36-42ft)	£202 ▼	£180 ▲	£240 ▼	£263 ▲
13-17 metres (43-56ft)	£225 ▼	£189 ▲	£325 ▼	£312 ▼
17-22 metres	£413 ▲	£230 ▲	£775 ▲	£508 ▲
Over 22 metres	£859 ▼	£700 ▼	£1,200 ▲	£1,165 ▲

Electric self-propelled booms

Platform Height	Average	Lowest	Highest	Ideal
Under 11 metres	£214 ▼	£200 ▼	£230 ▼	£258 ▼
10-12.5 metres (32-40ft)	£214 ▼	£168 ▼	£245 ▼	£262 ▼
Over 14 metre (45ft plus)	£278 ▼	£231 ▼	£375 ▼	£331 ▼

Mast booms

Platform Height	Average	Lowest	Highest	Ideal
8 metres	£148 ▼	£100 ▼	£230 ▲	£179 ▼
10 metres	£197 ▼	£110 ▼	£250 ▼	£241 ▼

Rough Terrain articulated booms

Platform Height	Average	Lowest	Highest	Ideal
12-14 metres (39-45ft)	£227 ▼	£205 ▲	£268 ▼	£276 ▼
15-16 metres (49-52ft)	£238 ▼	£210 ▼	£260 ▼	£304 ▼
17-19 metres (56-62ft)	£311 ▼	£231 ▼	£375 ▼	£384 ▲
20-23 metres (65-70ft)	£351 ▼	£294 ▼	£410 ▼	£438 ▼
24-26 metres (80-86ft)	£546 ▼	£419 ▲	£650 ▼	£694 ▼
Over 27 metres	£917 ▼	£850 ▼	£1,000 ▼	£1,100 ▼

Straight telescopic booms

Platform Height	Average	Lowest	Highest	Ideal
Under 17 metres (40-46ft)	£244 ▲	£235 ▲	£252 ▼	£328 ▼
20-23 metres (60-70ft)	£340 ▼	£294 ▼	£390 ▼	£434 ▼
24-26 metres (80-86ft)	£537 ▲	£461 ▼	£610 ▲	£633 ▼
Over 27 metres	£1,198 ▲	£1,100 ▲	£1,295 ▼	£1,300 ▼

Weekly rental rates by general category (continued)

From last year rates have gone ▲ up ▼ down — same ■ new category

Trailer lifts

Platform Height	Average	Lowest	Highest	Ideal
12-13 metres (30-38ft)	£207 ▲	£155 ▼	£250 ▼	£237 ▼
17 metres (50ft)	£200 ▼	£190 ▼	£220 ▼	£277 ▼
Over 20 metres	No data	No data	No data	No data

Spider lifts

Platform Height	Average	Lowest	Highest	Ideal
Up to 15 metres	£448 ▲	£350 ▲	£675 ▲	£496 ▼
16-20 metres	£785 ▲	£450 ▲	£2,000 ▲	£851 ▲
20-25 metres	£1,211 ▲	£750 ▼	£2,500 ▲	£1,311 ▼
26-35 metres	£1,920 ▲	£1,050 ▲	£3,000 ▲	£2,070 ▼
Over 35 metres	£2,575 ▲	£1,400 ▲	£4,000 ▲	£2,708 ▲

Van mounts - Weekly rates

Platform Height	Average	Lowest	Highest	Ideal
Up to 13 metres	£313 ▼	£300 ▼	£325 ▼	£355 ▼
13 to 17 metres	£380 ▼	£300 ▼	£460 ▼	£500 ▼
Over 17 metres	£600 ▼	£600 ▼	£600 ▼	£900 ▼

Truck mounts - Daily rates

Platform Height	Average	Lowest	Highest	Ideal
under 25 self drive	£287 ▲	£180 ▲	£600 ▲	£363 ▲
22-35m with operator	£443 ▲	£220 ▼	£790 ▲	£484 ▼
36-45 metres	£646 ▲	£450 ▼	£850 ▼	£772 ▼
46-70 metres	£1,167 ▲	£850 ▼	£1,500 ▲	£1,350 ▼
Over 70 metres	£2,400 ▲	£2,300 ▲	£2,500 —	£2,750 ▼

While rates have improved in 2014 it is still from a low level. Increased costs - deliveries, fuel, maintenance etc - coupled with higher prices for new machines, means that margins are still tight. Although rates are holding up, the general view is that there is still room for improvement.

Utilisation and Returns

Electric self-propelled scissor lifts

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
Under 5 metres	68%	55%	80%	1.8%
6 metres (19/20ft)	74%	65%	85%	1.4%
8 metres (26ft)	70%	50%	85%	1.3%
9-10 metres (30-33ft)	71%	50%	85%	1.1%
11-12 metres (36-39ft)	80%	60%	81%	1.1%
13-17 metres (42-55ft)	74%	62%	80%	0.9%
17-22 metres	74%	70%	75%	0.9%
Over 22 metres	81%	75%	86%	0.9%

Push around scissor lifts

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
Push Arounds	79%	75%	85%	1.6%
Portable	76%	75%	76%	2.0%

Diesel bi-energy scissor lifts

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
8 metres (26ft)	77%	60%	85%	0.8%
9-10 metres (30-33ft)	77%	70%	85%	0.8%
11-12 metres (36-42ft)	74%	61%	85%	0.7%
13-17 metres (43-56ft)	57%	30%	85%	0.6%
17-22 metres	69%	52%	85%	0.8%
Over 22 metres	72%	70%	80%	1.0%

Electric self-propelled booms

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
Under 11 metres	76%	70%	81%	0.9%
10-12 metres (32-40ft)	68%	55%	80%	0.9%
Over 14 metre (45ft plus)	70%	55%	85%	0.7%

Mast booms

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
8 metres	59%	20%	80%	1.1%
10 metres	78%	68%	85%	1.2%

RT articulated booms

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
12-14 metres (39-45ft)	68%	40%	80%	0.7%
15-16 metres (49-52ft)	71%	55%	80%	0.6%
17-19 metres (56-62ft)	72%	50%	80%	0.7%
20-23 metres (65-70ft)	65%	50%	80%	0.6%
24-26 metres (80-86ft)	68%	59%	80%	0.8%
Over 27 metres	69%	50%	80%	1.0%

Straight telescopic booms

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
Under 17 metres (40-46ft)	57%	40%	75%	0.6%
20-23 metres (60-70ft)	71%	60%	82%	0.6%
24-26 metres (80-86ft)	68%	55%	80%	0.7%
Over 27 metres	62%	44%	80%	0.8%

Trailer lifts

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
12-13 metres (30-38ft)	42%	28%	60%	1.5%
17 metres (50ft)	65%	50%	65%	1.2%
Over 20 metres	No data	No data	No data	No data

Spider lifts

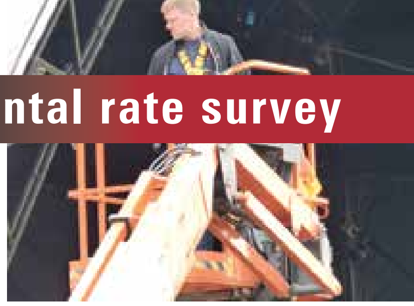
	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
Up to 15 metres	48%	46%	49%	2.0%
16-20 metres	62%	50%	70%	1.5%
20-25 metres	60%	47%	71%	22.5%
26-35 metres	37%	20%	47%	2.0%
Over 35 metres	43%	33%	55%	1.7%

Van mounts

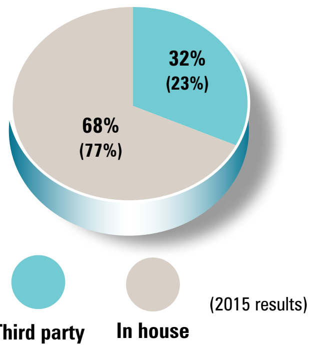
	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
Up to 13 metres	66%	25%	86%	0.7%
13 - 17 metres	65%	10%	80%	0.9%
Over 17 metres	No data	No data	No data	No data

Truck mounts

	Utilisation			Average rate as
Platform Height	Average	Lowest	Highest	% of initial cost
3.5 tonne chassis	58%	30%	84%	0.7%
7.5 tonne chassis	63%	40%	85%	0.5%
36-45 metres	70%	40%	94%	0.8%
46-70 metres	63%	60%	65%	0.9%
Over 70 metres	64%	28%	70%	1.2%



Who does your Loler Thorough Examinations?



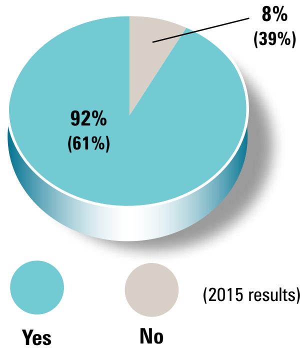
No significant change here and well within the margin for error.

Average fleet age in years

Average	Lowest	Highest
4 (3.4)	1 (2)	6 (5.9)

The national fleets of the UK and Ireland have aged according to our respondents. This is not surprising in that anecdotal evidence indicates that many companies have been spending below full replacement levels.

Would you recommend the access industry to your children?



Despite falling rates, respondents are clearly optimistic and an astonishing 92 percent of all respondents said "Yes" - a record high.

Access respondent's comments

"The signs for next year are not looking so good at present with too many companies coming into the market place creating an over supply, this is now forcing hire rates down, at the same time as Brexit is forcing cost up by 5-10% (parts & kit)!"

"Construction kit is still the area of most concern. Returns are pathetic. The industry leaders need to take control of this situation. We shouldn't have to subsidise poor returns on diesel kit with the better returns from electric platforms. For every diesel item we buy we need to buy the equivalent value in battery kit to balance the returns - Stupid situation really. We need to grow up and get a grip on this situation or others will follow Hewden. A man who joined our business after 20 years outside of the industry was horrified and said "Back in the 1980's I was getting more than you're getting today." This true, I have old price lists from those days and yes, 45's were fetching £350 a week and 60's £500. Progress eh?"

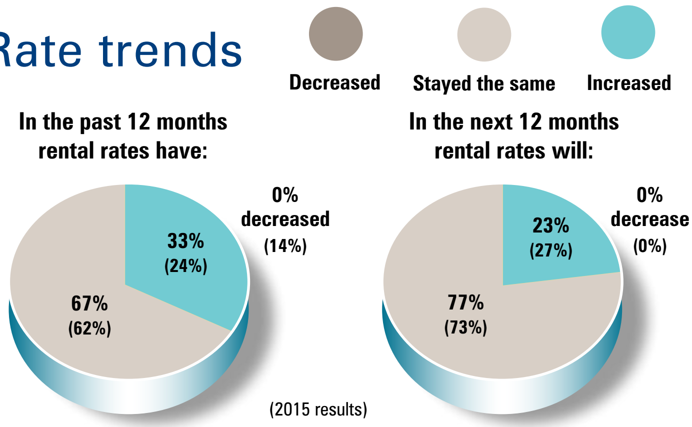
"Getting a proper rate is as far away as I can remember. Major rental companies say one thing and do another, they may well be able to afford to do such crazy things by cross subsidising through their more diverse spread of customers and size of the network - but this is not good business although it puts the squeeze on smaller players like us. Customers need to understand that if it puts companies like us out of business they will end up paying the sort of rates that are subsidising their current low rates today. But if we are forced out of business they will have no alternative."

"Sadly we seem to be in a very competitive market where rates are increasingly being squeezed - often without regard to transport, wage and maintenance costs. The increasing number of players in the truck mount business means that fixed price pricing is becoming the norm whilst recruiting good quality operators is becoming more difficult and more expensive. The downturn in the Exchange Rate will focus the mind somewhat - with the potential for costly errors if the wrong machines are bought at the wrong time. However it is not all gloom. Manufactures have developed some very exciting new machines which enable far greater flexibility. Customers by and large remain confident in using access platforms as opposed to other more dangerous method of working at height. Hopefully with the bad weather of the winter there will be lots of roofs to fix, gutters to clean and windows to wash, with the occasional film shoot, bridge inspection and "what the ….!" thrown in. The Powered Access Industry remains the most interesting, exciting and demanding environment I have worked in, and I hope to continue doing so for at least another few years to come."

"We have seen a change with some of our customers getting wise to low hire rates, especially when they receive nit picking extras on their final bills for damage and things, some of them are a bit more willing to pay a better rate and appreciate good service. All costs are rising and fleets will need replenishing, the whole industry needs to wake up before it is too late."

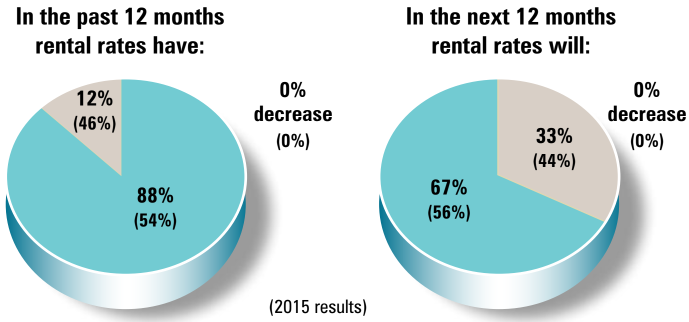
Telescopic handler rental rates

Rate trends

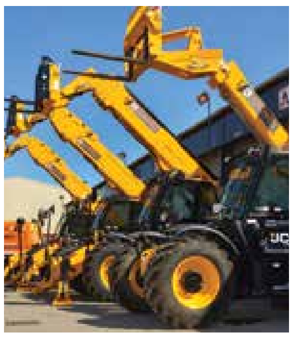


The majority of respondents last year were proved right in expecting rates to either stay the same or rise. However the actual data indicates some softening in the market although that may be more down to a sample variation than any real shift. Looking forward, no-one expects rates to fall, with the vast majority expecting them to remain at this year's levels.

Fleet size



The vast majority of companies that responded have increased fleet numbers in the past 12 months, none admitted to a reduction. The majority also plan to expand their fleets in 2017. The numbers indicate a growing optimism in the market.



Weekly rental rates for telehandlers

Fixed frame

From last year rates have gone: ▲ up ▼ down — same ■ new category

Lift height	Average	Lowest	Highest	Ideal
Under 5 metres	£233 ▼	£225 ▲	£270 ▼	£305 ▲
5 - 7 metres	£255 ▼	£180 ▼	£300 ▼	£330 —
8 - 10 metres	£265 ▼	£210 ▼	£325 ▼	£330 ▼
11 - 13 metres	£265 ▼	£235 ▼	£280 ▼	£386 ▼
14 - 15 metres	£325 ▼	£240 ▼	£375 ▼	£412 ▼
16 - 18 metres	£445 ▼	£400 ▲	£480 ▼	£521 ▼
Over 18 metres	£635 ▼	£550 ▼	£680 ▼	£700 ▼

360 degree

Lift height	Average	Lowest	Highest	Ideal
Under 20 metres	730 ▲	730 ▲	730 ▼	800 ▼
20 - 25 metres	£1,182 ▲	£1,100 ▲	£1,200 ▲	£1,300 ▼
Over 25 metres	£1,533 ▲	£1,300 ▲	£1,800 ▲	£2,050 ▲

Utilisation and return on investment

Fixed frame

	Utilisation			Average rate as
Lift height	Average	Lowest	Highest	% of initial cost
Under 5 metres	83%	75%	90%	0.6%
5 - 7 metres	76%	70%	85%	0.8%
8 - 10 metres	70%	60%	85%	0.7%
11 - 13 metres	73%	65%	80%	0.8%
14 - 15 metres	73%	70%	80%	0.7%
16 - 18 metres	80%	75%	85%	0.6%
Over 18 metres	90%	85%	95%	0.9%

360 degree

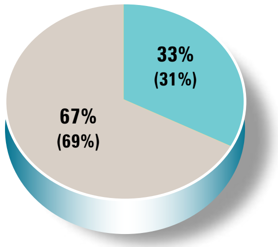
	Utilisation			Average rate as
Lift height	Average	Lowest	Highest	% of initial cost
Under 20 metres	76	70	80	0.7%
20 - 25 metres	73%	70%	75%	0.8%
Over 25 metres	82%	80%	90%	0.9%

Percentage of units going out with work platform attachments:

From last year rates have gone: ▲ up ▼ down — same ■ new category

Type	Average	Lowest	Highest
Fixed frame	6% ▲	5% ▲	10% —
360 degree	21% ▲	15% ▲	30% ▲

Who does your LOLER Thorough Examinations?



Third party In house (2015 results)

Average fleet age in years

Average	Lowest	Highest
3 (3.2)	2 (1)	5 (12)

As you might expect with more companies adding to their fleets this year, the average age has dropped to just 36 months.

What other products do you provide?

Cranes	Access	General Plant	Tools
6% (9)	23% (36)	46% (44)	25% (21)

An interesting shift this year is that anecdotal evidence indicates that more access rental companies are adding telehandlers to their fleets, while more general rental companies are adding access. However, our survey numbers show a decline in the percentage of telehandler companies also offering aerial lifts. We analysed the numbers and are confident that this is purely down to the sample this year than any significant trend. This statistic is also new and as a result we are not able to compare any long-term trends.

Respondent's comments

We have had a good year but while I do this survey it is still clear to me that we are only doing OK because we have high utilisation, much higher than other products in the fleet. Rates are better than they were a few years back that's for sure but they are still not commercially viable. Let the Hewden debacle be a warning to us!

The market seems to be getting a bit more professional.

Some major shifts in the market this year are continuing and it is too early yet to see how some of it might pan out. The consolidation that occurred last year is looking to be better than I first expected, I am hoping that it will continue in this vein. With a major competitor dropping out the rest of us ought to take heed and continue to push average rates up to where they ought to be.

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